



Consumer Alert

The 2007 Earned Income Credit May Help Lower-Income Families Pay Their Utility Bills

There may be a tax refund or tax credit in the future of some of Michigan's lower-income working families! You may be eligible to receive benefits from the federal government's **2007 Earned Income Tax Credit (EITC)**. The EITC may reduce the amount of tax owed and may offset some living expenses by helping pay utility bills.

Who is eligible?

To be eligible for a full or partial credit, a taxpayer must meet one of the following criteria:

- Anyone who worked in 2007, had an income of less than \$37,783 (\$39,783 if married - filing jointly), and had more than one qualifying child living in the home;
- Anyone who worked in 2007, had an income of less than \$33,241 (\$35,241 if married - filing jointly), and had one qualifying child living in the home; or
- Anyone who worked in 2007, had an income of less than \$12,590, (\$14,590 if married and filing jointly), and did not have a qualifying child living in the home.

Working adults can claim a son, daughter, stepchild, grandchild, adopted child, or eligible foster child. At the end of 2007, the qualifying child must have been under age 19, a fulltime student under age 24, or any age if permanently and totally disabled. The child must have lived with the parent or guardian in the United States for more than half the tax year.

What are the benefits?

- The amount of a credit depends on the number of children in a family and the family's income. For example, the basic credit for a family ranges from \$2,853 to \$4,716 depending on the number of qualifying children.
- The credit for anyone who worked but did not have a qualifying child could be as much as \$428.

How do you apply?

You must file a federal income tax return. Use Form 1040 to help determine eligibility. If filing a Form 1040A or 1040, you must include [Schedule EITC](#). For assistance, call the Internal Revenue Service at 800.829.1040 or look online at <http://www.irs.gov/>. Information is also available at www.michigan.gov/eitc.

The IRS has Taxpayer Assistance Offices in:

Detroit (313.628.3722)
 Flint (810.342.6190)
 Grand Rapids (616.235.2390)
 Marquette (906.228.7845)
 Saginaw (989.797.8560)
 Traverse City (231.932.2192)

